
REPORT TO:	HOUSING AND COMMUNITY SERVICES COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	15th OCTOBER 2009	CATEGORY: DELEGATED
REPORT FROM:	HEAD OF HOUSING	OPEN
MEMBERS' CONTACT POINT:	GARY CLARKSON (EXT 5897)	DOC:
SUBJECT:	STOCK CONDITION SURVEY OF THE HOUSING STOCK	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: HCS01,

1. Recommendations

- 1.1 That the Committee accepts the following report.

2. Purpose of Report

- 2.1 To provide members with the initial overview from the recent Stock Condition Survey Report.

3. Detail

Stock condition, Planned Maintenance and Improvements

- 3.1 In October 2008 Members approved the recruitment of an external consultant to undertake a full external survey and 25% internal survey of the Council's housing stock.
- 3.2 Rand Associates Consultancy Services Limited were appointed in June 2009 to undertake the survey and provide a full written report in accordance with our brief.
- 3.3 The survey covered 3063 tenanted properties and the exterior of 30 leased properties. The 30 properties at Granville Court and Willoughby House were not included in the survey due to their pending disposal.
- 3.4 The final report indicates that to maintain the stock over the next 30 years, the Council will need to spend a total of £108M, which excludes the finance required for day-to-day repairs. The total amount does not include any allowance for inflation, salaries or fees. This figure is not significantly different from the results of the exercise that FDSavills carried out in 2008, where they updated the results of the 2002 survey and estimated that £102M would be needed for a 30-year programme. The similarity in the total costs indicates that the calculations are based upon high quality data that provide robust outputs.

- 3.5 It should be pointed out that the spend requirement of £108M over 30 years is on the basis of maintaining the stock in the current condition. The investment figure does not relate to an enhanced property standard.
- 3.6 A brief exercise has been undertaken to compare the requirements in terms of expenditure for the first five years with the likely available funding for the same period. The requirement for spend in the first five years is £23M compared with the estimated available funding of almost £11.3M, which leaves a shortfall of £12M.
- 3.7 The funding estimate of £11.3M assumes that the funding for the next five years is similar to this year and is the amount available after the deduction of central establishment charges and funding for disabled facilities, with no allowance for a reduction in the number of properties or annual inflation increases.
- 3.8 During the survey, 67 properties were recorded as non-decent and a further 171 had the potential to become non-decent before the end of 2010. These figures are extrapolated from the sample surveyed to indicate that 839 properties either are or could become non-decent before the end of 2010 and that an investment of £0.95M is needed to achieve the Decent Homes Standard.
- 3.9 From the data collected the average energy rating was calculated as 63.3. This compares favourably with our previously reported figure of 60.8.
- 3.10 Further details will be available in a report to the November Committee, which will also seek approval for a new capital programme that incorporates the work priorities recommended by the survey report. In the proposed programme for 2010 and beyond, the works will be targeted at the actual and potentially non-decent properties, which will result in an improvement programme that will look significantly different from those of previous years. The November Committee report will propose a programme of works that will meet the Decent Homes target by the end of 2010, as well as proposing works for the following four years up to 2015.

Disabled Facilities

- 3.11 This year's combined annual budget from the Major Repairs Allowance and the Housing Revenue Account for disabled facilities on Council owned properties is £294,800 against an estimated annual demand of £350,000 based upon current requirements.
- 3.12 The following factors are a consideration in anticipating the financial requirements over the next 30 years:
- a. Whilst there should be a saturation point in terms of providing level access showers, stairlifts and grab rails, there is also an element of repeat grants due the life expectancy of stairlifts and the varying needs of either new tenants or the additional needs of the original tenant.
 - b. There could be an increased demand due to the changing demographic of the population within South Derbyshire. The 2001 Census indicated that South Derbyshire had a lower proportion of people above retirement age (less than 17% compared the UK and East Midlands figure of 18%) and that whilst Derbyshire should expect a 20% increase in those of retirement age in the next ten years, South Derbyshire should expect an increase of around 37%.

- c. People are now living longer and the Office of National Statistics estimate, based upon 2006 data, that by 2025 the category of people aged over 65 would increase by 18.98% and those aged over 85 would increase by 2.5%.

3.13 Based upon the above the finance required for the next 30 years is estimated to be £10.5M

4. Financial Implications

4.1 None arising directly from this report.

5. Corporate Implications

5.1 None arising directly from this report.

6. Community Implications

6.1 None arising directly from this report.

7. Conclusions

7.1 The initial picture is that there will be a large difference between the funding available, based upon current levels and the finance required to maintain the stock over the next 30 years.

8. Background Papers

8.1 Housing and Community Services Committee – October 2008